

SENATE, No. 737

STATE OF NEW JERSEY 212th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2006 SESSION

Sponsored by:

Senator PETER A. INVERSO

District 14 (Mercer and Middlesex)

Senator THOMAS H. KEAN, JR.

District 21 (Essex, Morris, Somerset and Union)

Co-Sponsored by:

Senator McNamara

SYNOPSIS

Limits contributions by certain public contractors; limits contributions by county and municipal political party committees.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 3/22/2006)

1 **AN ACT** concerning campaign contributions by certain business
2 entities and by county and municipal party committees, and
3 amending P.L.1993, c.65, supplementing Title 19 of the Revised
4 Statutes and repealing P.L.2004, c.19 and P.L.2005, c.51.

5
6 **BE IT ENACTED** *by the Senate and General Assembly of the State*
7 *of New Jersey:*

8
9 1. (New section) The Legislature finds and declares:

10 a. All individuals, businesses, organizations, associations, and
11 other persons have a right to participate fully in the political process
12 of New Jersey, including making contributions to and soliciting
13 contributions for candidates, holders of public office, political
14 parties and political committees.

15 b. When an individual or business interest makes or solicits a
16 significant amount of money or other thing of value to obtain a
17 contract awarded by a government agency, it constitutes a violation
18 of the public's trust in government and raises legitimate public
19 concerns about whether the contract has been awarded on the basis
20 of merit.

21 c. The growing infusion of funds into the political process at all
22 levels of government, including those funds donated by business
23 entities, has generated widespread cynicism among the public that
24 special interest groups are "buying" favors from elected
25 officeholders.

26 d. This increasing amount of money is feeding the corrosive
27 perception among much of the electorate that the current system
28 used to finance the election of candidates to public office at every
29 level is either corrupt or making the corruption of individual public
30 officials more likely.

31 e. To protect the integrity of government contractual decisions,
32 limit the pervasive power of money in campaigns for public office
33 and strengthen the public's confidence in every level of government,
34 it will be the policy of this State to prohibit awarding government
35 contracts on every level of government to business entities that are
36 also major contributors to candidates, holders of public office,
37 political parties and political committees.

38
39 2. (New section) As used in sections 1 through 9, inclusive, of
40 P.L. , c. (C.)(now pending before the Legislature as
41 sections 1 through 9 of this bill):

42 "business entity" means an individual, including the individual's
43 spouse, and any child living at home, and any person, firm,
44 corporation, professional corporation, partnership, organization or
45 association. This definition includes all principals who own two

EXPLANATION – Matter enclosed in bold-faced brackets **[thus]** in the above bill is
not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 percent or more of the equity in the corporation or business trust,
2 and the partners, and officers as a group employed by the entity, as
3 well as any subsidiaries directly controlled by the business entity.

4 "public office having ultimate responsibility for the award of
5 public contracts" means, as may be appropriate:

6 (1) the Legislature, if the contract requires approval or
7 appropriation from the Legislature;

8 (2) the Governor, if a public officer who is responsible for the
9 award of the contract is appointed by the Governor, whether or not
10 the appointment is subject to the advice and consent of the Senate,
11 including independent authorities, and excluding members of
12 boards, commissions, boards of trustees and other such entities
13 appointed by the Governor;

14 (3) both the Legislature and the Governor;

15 (4) the elected offices in a county, if the contract requires
16 approval by the holder of an elected office or appropriation by the
17 governing body of the county;

18 (5) the elected offices in a municipality, if the contract requires
19 approval by the holder of an elected office or appropriation by the
20 governing body of the municipality; and

21 (6) the elected offices in a school district, if the contract requires
22 approval by the holder of an elected office or appropriation by the
23 governing body of the school district.

24 "professional business entity" means a business entity as defined
25 in this section that provides services by individuals who are
26 required to be professionally licensed under the laws or regulations
27 of this State.

28 "public entity" means any of the principal departments in the
29 Executive Branch of State government, and any division, board,
30 bureau, office, commission or other instrumentality within or
31 created by such department; the Legislature of the State and any
32 office, board, bureau or commission within or created by the
33 Legislative Branch; the Judiciary of the State and any office, board,
34 bureau or commission within or created by the Judicial Branch; any
35 independent State authority, commission, instrumentality or agency;
36 any public institution of higher education; and, to the extent
37 permitted by law, any interstate agency to which New Jersey is a
38 party; a county, municipality or school district, and any division,
39 board, bureau, office or instrumentality of a county, municipality or
40 school district, or any authority, commission or other body created
41 by one or more counties, municipalities or school districts; and any
42 other State or local public body or quasi-public body the creation of
43 which is authorized or directed by statute.

44
45 3. (New section) a. No public entity, or any of the purchasing
46 agents or agencies thereof, shall enter into an agreement or contract
47 with a business entity or professional business entity for goods,
48 services or equipment or to sell property where the aggregate value

1 of the transaction exceeds \$17,500, if that entity has solicited or
2 made a contribution of money or any other thing of value, including
3 an in-kind contribution, or pledged to make a contribution of any
4 kind to a candidate for or the holder of any public office having
5 ultimate responsibility for the award of public contracts, or to any
6 political party committee, legislative leadership committee, political
7 committee or continuing political committee, in excess of the
8 amounts specified in subsection c. of this section within one year
9 immediately preceding the commencement of negotiations for the
10 contract or agreement or the submittal of a bid, whichever is earlier.

11 b. No business entity or professional business entity that submits
12 a bid or enters into negotiations for, or agrees to, any agreement or
13 contract with a public entity, or any of the purchasing agents or
14 agencies thereof, for goods, services or equipment or to sell
15 property in which the aggregate value of the transaction exceeds
16 \$17,500, shall knowingly solicit or make a contribution of money or
17 any other thing of value, including an in-kind contribution, or
18 pledge to make a contribution of any kind to a candidate for or
19 holder of any public office having ultimate responsibility for the
20 award of public contracts, or to any political party committee,
21 legislative leadership committee, political committee or continuing
22 political committee, between the start of negotiations or submittal
23 of the bid relative to such an agreement or contract, whichever is
24 earlier, and the termination of negotiations or the completion of the
25 agreement or contract, whichever is later.

26 c. (1) No professional business entity, including principals who
27 own two percent or more of the equity in the corporation or
28 business trust, and the partners and officers of such an entity, shall
29 pay or make a contribution of money or other thing of value,
30 including an in-kind contribution, or pledge to make a contribution
31 of any kind to any candidate for or the holder of any public office
32 having ultimate responsibility for the award of public contracts to
33 any political party committee, legislative leadership committee,
34 political committee or continuing political committee, which
35 exceeds \$400 each per year.

36 (2) No business entity, including the principals, partners, and
37 officers of the entity as a group, shall pay or make a contribution of
38 money or other thing of value, including an in-kind contribution, or
39 pledge to make a contribution of any kind to candidates for or the
40 holders of any public offices having ultimate responsibility for the
41 award of public contracts or to political party committees,
42 legislative leadership committees, political committees or
43 continuing political committees, which in the aggregate exceeds
44 \$5,000 per year.

45 (3) The contribution limits in this subsection shall be adjusted
46 by the Election Law Enforcement Commission in the same manner
47 as adjustments are made pursuant to section 22 of P.L.1993, c.65
48 (C.19:44A-7.2).

1 d. For the purposes of P.L. , c. (C.)(now pending
2 before the Legislature as this bill), the terms "contribution," "in-
3 kind contribution," "other thing of value," "candidate," "candidate
4 committee," "joint candidates committee," "legislative leadership
5 committee," "political party committee," "political committee" and
6 "continuing political committee" shall have the meanings set forth
7 in the "New Jersey Campaign Contributions and Expenditures
8 Reporting Act," P.L.1973, c.83 (C.19:44A-1 et seq.).
9

10 4. (New section) No contribution of money or any other thing
11 of value, including in-kind contributions, or pledge to make a
12 contribution of any kind made by a business entity or professional
13 business entity to a candidate for or the holder of any public office
14 having ultimate responsibility for the award of public contracts, or
15 to any political party committee, legislative leadership committee,
16 political committee or continuing political committee shall be a
17 violation of the provisions of sections 1 through 9, inclusive, of
18 P.L. , c. (C.)(now pending before the Legislature as
19 sections 1 through 9 of this bill), nor shall an agreement or contract
20 for goods, services or equipment or to sell property be disqualified
21 or terminated by the public entity, if that contribution was made by
22 the business entity or professional business entity prior to the
23 effective date of P.L. , c. (C.)(now pending before the
24 Legislature as this bill).
25

26 5. (New section) a. Prior to awarding any contract or
27 agreement to any business entity or professional business entity for
28 goods, services or equipment or to sell property, a public entity, or
29 any of the purchasing agents or agencies thereof, shall receive a
30 sworn statement from the business entity or professional business
31 entity that it has not made a contribution or pledged to make a
32 contribution in violation of section 3 of P.L. , c. (C.)(now
33 pending before the Legislature as this bill). This certification shall
34 be made prior to the effective starting date of the agreement or
35 contract with the public entity and shall be in addition to any other
36 certifications that may be prescribed by law.

37 b. The business entity or professional business entity shall have
38 a continuing duty to report any violations of sections 1 through 9 of
39 P.L. , c. (C.)(now pending before the Legislature as
40 section 1 through 9 of this bill) that may occur during the
41 negotiation for or the duration of the contract or agreement.
42

43 6. (New section) A candidate for or the holder of any public
44 office, and political party committees, legislative leadership
45 committees, political committees and continuing political
46 committees, shall use reasonable efforts to notify contributors and
47 potential contributors that contributions of money or any other thing
48 of value, including in-kind contributions, or pledges to make a

1 contribution of any kind from a business entity or professional
2 business entity, may affect the ability of that business entity or
3 professional business entity to engage in agreements or contracts
4 with a public entity for goods, services or equipment or to sell
5 property, as the case may be. Such reasonable efforts shall include,
6 but not be limited to, notification in written fundraising solicitations
7 or donor information request forms or other fundraising solicitation
8 materials. The failure of a business entity or professional business
9 entity to receive the notice prescribed in this section shall not be a
10 defense to a violation of P.L. , c. (C.) (now pending before
11 the Legislature as this bill).

12

13 7. (New section) A business entity or professional business
14 entity may cure a violation of section 3 of P.L. , c. (C.) (now
15 pending before the Legislature as this bill), if no later than 30 days
16 following the day of the general election next following the date on
17 which the contribution is made, the business entity or professional
18 business entity seeks and receives reimbursement of the prohibited
19 contribution from the candidate for or holder of any public office,
20 or the political party committee, legislative leadership committee,
21 political committee or continuing political committee.

22

23 8. (New section) a. Any business entity or professional
24 business entity found to knowingly conceal or misrepresent any
25 contribution of money or other thing of value, including an in-kind
26 contribution, or a pledge to make a contribution of any kind given
27 to a candidate for or the holder of any public office having ultimate
28 responsibility for the award of public contracts, or to a political
29 party committee, legislative leadership committee, political
30 committee or continuing political committee, or to knowingly have
31 made or solicited such contributions through intermediaries for the
32 purpose of concealing or misrepresenting the source of the
33 contribution, shall be considered to be in breach of the terms of any
34 agreement or contract between that business entity or professional
35 business entity and the public entity then in effect and shall be
36 subject to the penalties prescribed in subsection c. of this section
37 and any other penalties prescribed by law.

38 b. No person shall make and no person, other than a candidate or
39 an official representative of the candidate committee or joint
40 candidates committee of the candidate, shall accept any contribution
41 on the condition or with the agreement that it will be contributed to
42 any other particular candidate, subject to the penalties prescribed in
43 subsection c. of this section, section 22 of P.L.1973, c.83
44 (C.19:44A-22) and any other penalties prescribed by law. The
45 expenditure of funds received by a person shall be made at the sole
46 discretion of the recipient person.

47 c. Any business entity or professional business entity found to
48 be in violation of section of 3 of P.L. , c. (C.)(now

1 pending before the Legislature as this bill) or subsection a. of this
2 section or that knowingly fails to reveal a contribution of money or
3 any other thing of value, including an in-kind contribution, or a
4 pledge to make a contribution of any kind, shall be disqualified
5 from eligibility for future contracts or agreements with the public
6 entity where the violation is found to have occurred for a period of
7 four calendar years from the date of the determination of the
8 violation

9 (1) by the Director of the Division of Purchase and Property or
10 the Director of the Division of Property Management and
11 Construction in the Department of the Treasury when the contract
12 or agreement involved is with the State, or

13 (2) by some other designated agency or authority, as the case
14 may be, when the contract or agreement involved is with a public
15 entity other than the State,

16 and in addition shall have any contract or agreement with the
17 public entity then in effect terminated immediately.

18
19 9. (New section) a. Any business entity or professional
20 business entity making a contribution of money or any other thing
21 of value, including an in-kind contribution, or pledge to make a
22 contribution of any kind to a candidate for or the holder of any
23 public office having ultimate responsibility for the awarding of
24 public contracts, or to a political party committee, legislative
25 leadership committee, political committee or continuing political
26 committee, which has received in any calendar year \$50,000 or
27 more in the aggregate through agreements or contracts with a public
28 entity, shall file an annual disclosure statement with the New Jersey
29 Election Law Enforcement Commission, established pursuant to
30 section 5 of P.L.1973, c.83 (C.19:44A-5), setting forth all such
31 contributions made by the business entity or professional business
32 entity during the 12 months prior to the reporting deadline.

33 b. The commission shall prescribe forms and procedures for the
34 reporting required in subsection a. of this section which shall
35 include, but not be limited to:

36 (1) the name and mailing address of the business entity or
37 professional business entity making the contribution, and the
38 amount contributed during the 12 months prior to the reporting
39 deadline;

40 (2) the name of the candidate for or the holder of any public
41 office having ultimate responsibility for the awarding of public
42 contracts, candidate committee, joint candidates committee,
43 political party committee, legislative leadership committee, political
44 committee or continuing political committee receiving the
45 contribution; and

46 (3) the amount of money the business entity or professional
47 business entity received from the public entity through contract or
48 agreement, the dates, and information identifying each contract or

1 agreement and describing the goods, services or equipment
2 provided or property sold.

3 c. The commission shall maintain a list of such reports for
4 public inspection both at its office and through its Internet site.
5

6 10. Section 22 of P.L.1993, c.65 (C.19:44A-7.2) is amended to
7 read as follows:

8 22. a. Not later than December 1 of each year preceding any
9 year in which a general election is to be held to fill the office of
10 Governor for a four-year term, the Election Law Enforcement
11 Commission shall adjust the amounts, set forth in subsection b. of
12 this section, which shall be applicable under P.L.1973, c.83
13 (C.19:44A-1 et al.) to primary and general elections for any public
14 office other than the office of Governor, to limitations on
15 contributions to and from political committees, continuing political
16 committees, candidate committees, joint candidates committees,
17 political party committees and legislative leadership committees
18 and to other amounts, at a percentage which shall be the same as the
19 percentage of change that the commission applies to the amounts
20 used for the primary and general elections for the office of
21 Governor held in the third year preceding the year in which that
22 December 1 occurs, pursuant to section 19 of P.L.1980, c.74
23 (C.19:44A-7.1), and any amount so adjusted shall be rounded in the
24 same manner as provided in that section.

25 b. The amounts subject to adjustment as provided under this
26 section shall be:

27 (1) the minimum amount raised or expended by any two or more
28 persons acting jointly who qualify as a political committee and the
29 minimum amount contributed or expected to be contributed in any
30 calendar year by any group of two or more persons acting jointly
31 who qualify as a continuing political committee as defined in
32 section 3 of P.L.1973, c.83 (C.19:44A-3);

33 (2) the minimum amount of a contribution to a political
34 committee, continuing political committee, legislative leadership
35 committee or political party committee which triggers an obligation
36 to report that contribution to the commission pursuant to section 8
37 of P.L.1973, c.83 (C.19:44A-8), and the minimum amount of a
38 contribution to a candidate, candidate committee or joint candidates
39 committee which triggers an obligation to report that contribution to
40 the commission pursuant to section 16 of P.L.1973, c.83 (C.19:44A-
41 16);

42 (3) the minimum amount of a contribution to a political
43 committee, continuing political committee, legislative leadership
44 committee or a political party committee received during the period
45 between the 13th day prior to the election and the date of the
46 election, the minimum amount of an expenditure by a political
47 committee during that period, and the minimum amount of an
48 expenditure by a continuing political committee during the period

1 beginning after March 31 and ending on the date of the primary
2 election and the period beginning after September 30 and ending on
3 the date of the general election which triggers an obligation to
4 report that contribution to the commission pursuant to section 8 of
5 P.L.1973, c.83 (C.19:44A-8), and the minimum amount of a
6 contribution to a candidate, candidate committee or joint candidates
7 committee received during the period between the 13th day prior to
8 the election and the date of the election which triggers an obligation
9 to report that contribution to the commission pursuant to section 16
10 of P.L.1973, c.83 (C.19:44A-16); (4) the maximum amount
11 which may be expended by the campaign organizations of two or
12 more candidates forming a joint candidates committee without
13 being required to file contribution reports, pursuant to section 8 of
14 P.L.1973, c.83 (C.19:44A-8);

15 (5) the maximum amount that a person, not acting in concert
16 with any other person or group, may spend to support or defeat a
17 candidate or to aid the passage or defeat of a public question
18 without being required to report all such expenditures and expenses
19 to the commission pursuant to section 11 of P.L.1973, c.83
20 (C.19:44A-11) and the maximum amount that a person, not acting
21 in concert with any other person or group, may raise through a
22 public solicitation and expend to finance any lawful activity in
23 support of or in opposition to any candidate or public question or to
24 seek to influence the content, introduction, passage or defeat of
25 legislation pursuant to section 19 of P.L.1973, c.83 (C.19:44A-19)

26 (6) the maximum amount that may be expended, in the
27 aggregate, on behalf of a candidate without requiring that candidate
28 to file contribution reports with the commission and the maximum
29 amount that may be expended, in the aggregate, on behalf of a
30 candidate seeking election to a public office of a school district,
31 without requiring that candidate to file contribution reports with the
32 commission pursuant to section 16 of P.L.1973, c.83 (C.19:44A-
33 16);

34 (7) the maximum amount of penalty which may be imposed by
35 the commission on any person who fails to comply with the
36 regulatory provisions of P.L.1973, c.83 (C.19:44A-1 et al.) for a
37 first offense or a second and subsequent offenses, pursuant to
38 section 22 of P.L.1973, c.83 (C.19:44A-22);

39 (8) the maximum amount of penalty which may be imposed by
40 the commission on any corporation or labor organization which
41 provides any of its employees any additional increment of salary for
42 the express purpose of making a contribution to a candidate,
43 candidate committee, joint candidates committee, political party
44 committee, legislative leadership committee, political committee or
45 continuing political committee for a first or a second and
46 subsequent offenses, pursuant to section 15 of P.L.1993, c.65
47 (C.19:44A-20.1);

1 (9) the maximum amount of contributions permitted to be made
2 by an individual, a corporation or labor organization to a candidate,
3 candidate committee or joint candidates committee, the maximum
4 amount of contributions permitted to be made by a political
5 committee or a continuing political committee to a candidate,
6 candidate committee or joint candidates committee other than the
7 committee of a candidate for nomination or election to the office of
8 Governor and the maximum amount of contributions permitted to
9 be made by one candidate, candidate committee or joint candidates
10 committee, other than the committee of a candidate for nomination
11 or election to the office of Governor, to another candidate,
12 candidate committee or joint candidates committee other than the
13 committee of a candidate for nomination or election to the office of
14 Governor pursuant to section 18 of P.L.1993, c.65 (C.19:44A-11.3);

15 (10) the maximum amount of contributions permitted to be
16 made by an individual, corporation, labor organization, political
17 committee, continuing political committee, candidate committee or
18 joint candidates committee or any other group to any political party
19 committee or any legislative leadership committee pursuant to
20 section 19 of P.L.1993, c.65 (C.19:44A-11.4);

21 (11) the maximum amount of contributions permitted to be
22 made by a candidate, candidate committee or joint candidates
23 committee to a political committee or a continuing political
24 committee and the maximum amount of contributions permitted to
25 be made by one political committee or continuing political
26 committee to another political committee or continuing political
27 committee pursuant to section 20 of P.L.1993, c.65 (C.19:44A-
28 11.5)[.];

29 (12) the amount of filing fees which may be collected from a
30 candidate committee, a joint candidates committee, a continuing
31 political committee, a political party committee, a legislative
32 leadership committee, or any other person pursuant to section 6 of
33 P.L.1973, c.83 (C.19:44A-6) (as that section shall have been
34 amended by P.L. , c. , now pending before the Legislature as
35 Senate Committee Substitute for Senate Bill No. 70 (1R));

36 (13) the maximum amount of contributions permitted to be
37 made by a county committee of a political party to a candidate
38 committee or joint candidates committee, a political committee or
39 continuing political committee, a legislative leadership committee,
40 the State committee of a political party, another county committee
41 of a political party or a municipal committee of a political party,
42 pursuant to section 18 of P.L.1993, c.65 (C.19:44A-11.3); and

43 (14) the maximum amount of contributions permitted to be
44 made by a municipal committee of a political party to a candidate
45 committee or joint candidates committee, a political committee or
46 continuing political committee, a legislative leadership committee,
47 the State committee of a political party, a county committee of a

1 political party or another municipal committee of a political party,
2 pursuant to section 18 of P.L.1993, c.65 (C.19:44A-11.3).

3 c. Not later than December 15 of each year preceding any year
4 in which a general election is to be held to fill the office of
5 Governor for a four-year term, the commission shall report to the
6 Legislature and make public its adjustment of limits in accordance
7 with the provisions of this section. Whenever, following the
8 transmittal of that report, the commission shall have notice that a
9 person has declared as a candidate for nomination for election or for
10 election to any public office in a forthcoming primary or general
11 election, it shall promptly notify that candidate of the amounts of
12 those adjusted limits.

13 (cf: P.L.1993, c.65, s.22)

14
15 11. Section 18 of P.L.1993, c.65 (C.19:44A-11.3) is amended to
16 read as follows:

17 18. a. No individual, other than an individual who is a
18 candidate, no corporation of any kind organized and incorporated
19 under the laws of this State or any other state or any country other
20 than the United States, no labor organization of any kind which
21 exists or is constituted for the purpose, in whole or in part, of
22 collective bargaining, or of dealing with employers concerning the
23 grievances, terms or conditions of employment, or of other mutual
24 aid or protection in connection with employment, or any group
25 shall: (1) pay or make any contribution of money or other thing of
26 value to a candidate who has established only a candidate
27 committee, his campaign treasurer, deputy campaign treasurer or
28 candidate committee which in the aggregate exceeds \$1,500 per
29 election, or (2) pay or make any contribution of money or other
30 thing of value to candidates who have established only a joint
31 candidates committee, their campaign treasurer, deputy campaign
32 treasurer, or joint candidates committee, which in the aggregate
33 exceeds \$1,500 per election per candidate, or (3) pay or make any
34 contribution of money or other thing of value to a candidate who
35 has established both a candidate committee and a joint candidates
36 committee, the campaign treasurers, deputy campaign treasurers, or
37 candidate committee or joint candidates committee, which in the
38 aggregate exceeds \$1,500 per election. No candidate who has
39 established only a candidate committee, his campaign treasurer,
40 deputy campaign treasurer or candidate committee shall knowingly
41 accept from an individual, other than an individual who is a
42 candidate, a corporation of any kind organized and incorporated
43 under the laws of this State or any other state or any country other
44 than the United States, a labor organization of any kind which exists
45 or is constituted for the purpose, in whole or in part, of collective
46 bargaining, or of dealing with employers concerning the grievances,
47 terms or conditions of employment, or of other mutual aid or
48 protection in connection with employment, or any group any

1 contribution of money or other thing of value which in the
2 aggregate exceeds \$1,500 per election, and no candidates who have
3 established only a joint candidates committee, or their campaign
4 treasurer, deputy campaign treasurer, or joint candidates committee,
5 shall knowingly accept from any such source any contribution of
6 money or other thing of value which in the aggregate exceeds
7 \$1,500 per election per candidate, and no candidate who has
8 established both a candidate committee and a joint candidates
9 committee, the campaign treasurers, deputy campaign treasurers, or
10 candidate committee or joint candidates committee shall knowingly
11 accept from any such source any contribution of money or other
12 thing of value which in the aggregate exceeds \$1,500 per election.

13 b. (1) No political committee or continuing political committee
14 shall: (a) pay or make any contribution of money or other thing of
15 value to a candidate who has established only a candidate
16 committee, his campaign treasurer, deputy campaign treasurer or
17 candidate committee, other than a candidate for nomination for
18 election or for election for the office of Governor, which in the
19 aggregate exceeds \$5,000 per election, or (b) pay or make any
20 contribution of money or other thing of value to candidates who
21 have established only a joint candidates committee, their campaign
22 treasurer or deputy campaign treasurer, or the joint candidates
23 committee, which in the aggregate exceeds \$5,000 per election per
24 candidate, or (c) pay or make any contribution of money or other
25 thing of value to a candidate who has established both a candidate
26 committee and a joint candidates committee, the campaign
27 treasurers, deputy campaign treasurers, or candidate committee or
28 joint candidates committee, which in the aggregate exceeds \$5,000
29 per election. No candidate who has established only a candidate
30 committee, his campaign treasurer, deputy campaign treasurer or
31 candidate committee, other than a candidate for nomination for
32 election or for election for the office of Governor, shall knowingly
33 accept from any political committee or continuing political
34 committee any contribution of money or other thing of value which
35 in the aggregate exceeds \$5,000 per election, and no candidates who
36 have established only a joint candidates committee, their campaign
37 treasurer, deputy campaign treasurer, or joint candidates committee,
38 shall knowingly accept from any such source any contribution of
39 money or other thing of value which in the aggregate exceeds
40 \$5,000 per election per candidate, and no candidate who has
41 established both a candidate committee and a joint candidates
42 committee, the campaign treasurers, deputy campaign treasurers, or
43 candidate committee or joint candidates committee shall knowingly
44 accept from any such source any contribution of money or other
45 thing of value which in the aggregate exceeds \$5,000 per election.

46 (2) [The limitation upon the knowing acceptance by a
47 candidate, campaign treasurer, deputy campaign treasurer,
48 candidate committee or joint candidates committee of any

1 contribution of money or other thing of value from a political
2 committee or continuing political committee under the provisions of
3 paragraph (1) of this subsection shall also be applicable to the
4 knowing acceptance of any such contribution from the county
5 committee of a political party by a candidate or the campaign
6 treasurer, deputy campaign treasurer, candidate committee or joint
7 candidates committee of a candidate for any elective public office
8 in another county or, in the case of a candidate for nomination for
9 election or for election to the office of member of the Legislature,
10 in a legislative district in which, according to the federal decennial
11 census upon the basis of which legislative districts shall have been
12 established, less than 20% of the population resides within the
13 county of that county committee. In addition, all contributor
14 reporting requirements and other restrictions and regulations
15 applicable to a contribution of money or other thing of value by a
16 political committee or continuing political committee under the
17 provisions of P.L.1973, c.83 (C.19:44A-1 et al.) shall likewise be
18 applicable to the making or payment of such a contribution by such
19 a county committee.

20 The limitation upon the knowing acceptance by a candidate,
21 campaign treasurer, deputy campaign treasurer, candidate
22 committee or joint candidates committee of any contribution of
23 money or other thing of value from a political committee or
24 continuing political committee under the provisions of paragraph
25 (1) of this subsection, except that the amount of any contribution of
26 money or other thing of value shall be in an amount which in the
27 aggregate does not exceed \$25,000, shall also be applicable to the
28 knowing acceptance of any such contribution from the county
29 committee of a political party by a candidate, or the campaign
30 treasurer, deputy campaign treasurer, candidate committee or joint
31 candidates committee of a candidate, for nomination for election or
32 for election to the office of member of the Legislature in a
33 legislative district in which, according to the federal decennial
34 census upon the basis of which legislative districts shall have been
35 established, at least 20% but less than 40% of the population resides
36 within the county of that county committee. In addition, all
37 contributor reporting requirements and other restrictions and
38 regulations applicable to a contribution of money or other thing of
39 value by a political committee or continuing political committee
40 under the provisions of P.L.1973, c.83 (C.19:44A-1 et al.) shall
41 likewise be applicable to the making or payment of such a
42 contribution by such a county committee.】

43 (a) No county committee of a political party, other than the
44 county committee of the county in which the candidate or
45 candidates reside, shall pay or make a contribution of money or
46 other thing of value to a candidate committee, a joint candidates
47 committee or both which in the aggregate exceeds \$7,200 per
48 election. No candidate committee, joint candidates committee or

1 both shall knowingly accept from a county committee of a political
2 party, other than the county committee of the county in which the
3 candidate or candidates reside, a contribution of money or other
4 thing of value, which in the aggregate exceeds \$7,200 per election.

5 (b) No county committee of a political party shall pay or make a
6 contribution of money or other thing of value to a political
7 committee, which in the aggregate exceeds \$7,200 per election. No
8 political committee shall knowingly accept from a county
9 committee of a political party a contribution of money or other
10 thing of value, which in the aggregate exceeds \$7,200 per election.

11 (c) No county committee of a political party shall pay or make a
12 contribution of money or other thing of value to a continuing
13 political committee, which in the aggregate exceeds \$7,200 per
14 year. No continuing political committee shall knowingly accept
15 from a county committee of a political party a contribution of
16 money or other thing of value, which in the aggregate exceeds
17 \$7,200 per year.

18 (d) No county committee of a political party shall pay or make a
19 contribution of money or other thing of value to a legislative
20 leadership committee, or to the State committee of a political party,
21 which in the aggregate exceeds \$25,000 per year. No legislative
22 leadership committee and no State committee of a political party
23 shall knowingly accept from a county committee of a political party
24 a contribution of money or other thing of value, which in the
25 aggregate exceeds \$25,000 per year.

26 (e) No county committee of a political party shall pay or make a
27 contribution of money or other thing of value to another county
28 committee of a political party, which in the aggregate exceeds
29 \$7,200 per year. No county committee of a political party shall
30 knowingly accept from another county committee of a political
31 party a contribution of money or other thing of value, which in the
32 aggregate exceeds \$7,200 per year.

33 (f) No county committee of a political party shall pay or make a
34 contribution of money or other thing of value to a municipal
35 committee of a political party, other than a municipal committee of
36 a municipality located in the same county as the county committee,
37 which in the aggregate exceeds \$7,200 per year. No municipal
38 committee of a political party, other than a municipal committee of
39 a municipality located in the same county as the county committee,
40 shall knowingly accept from that county committee a contribution
41 of money or other thing of value, which in the aggregate exceeds
42 \$7,200 per year.

43 (3) (a) No municipal committee of a political party, other than a
44 municipal committee in the county in which the candidate or
45 candidates reside, shall pay or make a contribution of money or
46 other thing of value to a candidate committee, a joint candidates
47 committee or both, which in the aggregate exceeds \$7,200 per
48 election. No candidate committee, joint candidates committee or

1 both shall knowingly accept from a municipal committee of a
2 political party, other than a municipal committee in the county in
3 which the candidate or candidates reside, a contribution of money
4 or other thing of value, which in the aggregate exceeds \$7,200 per
5 election.

6 (b) No municipal committee of a political party shall pay or
7 make a contribution of money or other thing of value to a political
8 committee, which in the aggregate exceeds \$7,200 per election. No
9 political committee shall knowingly accept from a municipal
10 committee of a political party a contribution of money or other
11 thing of value, which in the aggregate exceeds \$7,200 per election.

12 (c) No municipal committee of a political party shall pay or
13 make a contribution of money or other thing of value to a
14 continuing political committee, which in the aggregate exceeds
15 \$7,200 per year. No continuing political committee shall
16 knowingly accept from a municipal committee of a political party a
17 contribution of money or other thing of value, which in the
18 aggregate exceeds \$7,200 per year.

19 (d) No municipal committee of a political party shall make a
20 contribution of money or other thing of value to a legislative
21 leadership committee or to the State committee of a political party,
22 which in the aggregate exceeds \$25,000 per year. No legislative
23 leadership committee and no State committee of a political party
24 shall knowingly accept from a municipal committee of a political
25 party a contribution of money or other thing of value, which in the
26 aggregate exceeds \$25,000 per year.

27 (e) No municipal committee of a political party shall pay or
28 make a contribution of money or other thing of value to another
29 municipal committee of a political party, which in the aggregate
30 exceeds \$7,200 per year. No municipal committee of a political
31 party shall knowingly accept from another municipal committee of
32 a political party a contribution of money or other thing of value,
33 which in the aggregate exceeds \$7,200 per year.

34 (f) No municipal committee of a political party shall pay or
35 make a contribution of money or other thing of value to a county
36 committee of a political party, other than the county committee of
37 the county in which the municipality is located, which in the
38 aggregate exceeds \$7,200 per year. No county committee of a
39 political party, other than the county committee of the county in
40 which the municipality is located, shall knowingly accept from a
41 municipal committee a contribution of money or other thing of
42 value, which in the aggregate exceeds \$7,200 per year.

43 (4) With respect to the limitations in [this paragraph]
44 paragraphs (2) and (3) of this subsection, the Legislature finds and
45 declares that:

46 (a) Persons or organizations making contributions to the county
47 committee of a political party or a municipal committee of a
48 political party have a right to expect that their money will be used,

1 for the most part, to support candidates for elective office who will
2 most directly represent the interest of that county or municipality;

3 (b) The practice of allowing a county committee or municipal
4 committee to use funds raised with this expectation to make
5 unlimited contributions to candidates for the **[Legislature]** public
6 office or to political committees or other county or municipal
7 committees who may have a limited, or even nonexistent,
8 connection with or interest in that county or municipality serves to
9 undermine public confidence in the integrity of the electoral
10 process;

11 (c) Furthermore, the risk of actual or perceived corruption is
12 raised by the potential for contributors to circumvent limits on
13 contributions to candidates by funneling money to candidates
14 through county or municipal committees;

15 (d) The State has a compelling interest in preventing the
16 actuality or appearance of corruption and in protecting public
17 confidence in democratic institutions by limiting the amounts which
18 a county committee or municipal committee may contribute to
19 **[legislative]** candidates **[whose districts are not located in close**
20 **proximity to that county]** for public office in different parts of the
21 State, to political committees or to other county and municipal
22 political party committees; and

23 (e) It is, therefore, reasonable for the State to promote this
24 compelling interest by limiting the amount a county committee or
25 municipal committee may give to a **[legislative]** candidate **[based**
26 **upon the degree to which the population of the legislative district**
27 **overlaps with the population of that county]** for public office in
28 different parts of the State, political committees or other county and
29 municipal political party committees.

30 c. (1) No candidate who has established only a candidate
31 committee, his campaign treasurer, deputy treasurer or candidate
32 committee shall (a) pay or make any contribution of money or other
33 thing of value to another candidate who has established only a
34 candidate committee, his campaign treasurer, deputy campaign
35 treasurer or candidate committee, other than a candidate for
36 nomination for election or for election for the office of Governor,
37 which in the aggregate exceeds \$5,000 per election, or (b) pay or
38 make any contribution of money or other thing of value to
39 candidates who have established only a joint candidates committee,
40 their campaign treasurer, deputy campaign treasurer, or joint
41 candidates committee, which in the aggregate exceeds \$5,000 per
42 election per candidate in the recipient committee, or (c) pay or
43 make any contribution of money or other thing of value to a
44 candidate who has established both a candidate committee and a
45 joint candidates committee, the campaign treasurers, deputy
46 campaign treasurers, or candidate committee or joint candidates
47 committee, which in the aggregate exceeds \$5,000 per election. No

1 candidate who has established only a candidate committee, his
2 campaign treasurer, deputy campaign treasurer or candidate
3 committee, other than a candidate for nomination for election or for
4 election to the office of the Governor, shall knowingly accept from
5 another candidate who has established only a candidate committee,
6 his campaign treasurer, deputy campaign treasurer or candidate
7 committee, any contribution of money or other thing of value which
8 in the aggregate exceeds \$5,000 per election, and no candidates who
9 have established only a joint candidates committee, their campaign
10 treasurer, deputy campaign treasurer, or joint candidates committee,
11 shall knowingly accept from any such source any contribution of
12 money or other thing of value which in the aggregate exceeds
13 \$5,000 per election per candidate in the recipient committee, and no
14 candidate who has established both a candidate committee and a
15 joint candidates committee, the campaign treasurers, deputy
16 campaign treasurers, or candidate committee or joint candidates
17 committee, shall knowingly accept from any such source any
18 contribution of money or other thing of value which in the
19 aggregate exceeds \$5,000 per election.

20 (2) No candidates who have established only a joint candidates
21 committee, their campaign treasurer, deputy campaign treasurer, or
22 joint candidates committee shall (a) pay or make any contribution
23 of money or other thing of value to another candidate who has
24 established only a candidate committee, his campaign treasurer,
25 deputy campaign treasurer or candidate committee, other than a
26 candidate for nomination for election or for election for the office
27 of Governor, which in the aggregate exceeds, on the basis of each
28 candidate in the contributing joint candidates committee, \$5,000 per
29 election, or (b) pay or make any contribution of money or other
30 thing of value to candidates who have established only a joint
31 candidates committee, their campaign treasurer, deputy campaign
32 treasurer or joint candidates committee, which in the aggregate
33 exceeds, on the basis of each candidate in the contributing joint
34 candidates committee, \$5,000 per election per candidate in the
35 recipient joint candidates committee, or (c) pay or make any
36 contribution of money or other thing of value to a candidate who
37 has established both a candidate committee and a joint candidates
38 committee, the campaign treasurers, deputy campaign treasurers or
39 candidate committee or joint candidates committee, which in the
40 aggregate exceeds, on the basis of each candidate in the
41 contributing joint candidates committee, \$5,000 per election. No
42 candidate who has established only a candidate committee, his
43 campaign treasurer, deputy campaign treasurer, or candidate
44 committee, other than a candidate for nomination for election or for
45 election for the office of Governor, shall knowingly accept from
46 other candidates who have established only a joint candidates
47 committee, their campaign treasurer, deputy campaign treasurer or
48 joint candidates committee, any contribution of money or other

1 thing of value which in the aggregate exceeds, on the basis of each
2 candidate in the contributing committee, \$5,000 per election, and no
3 candidates who have established only a joint candidates committee,
4 their campaign treasurer, deputy campaign treasurer, or joint
5 candidates committee, shall knowingly accept from any such source
6 any contribution of money or other thing of value which in the
7 aggregate exceeds, on the basis of each candidate in the
8 contributing joint candidates committee, \$5,000 per election per
9 candidate in the recipient joint candidates committee, and no
10 candidate who has established both a candidate committee and a
11 joint candidates committee, the campaign treasurers, deputy
12 campaign treasurers, or candidate committee or joint candidates
13 committee, shall knowingly accept from any such source any
14 contribution of money or other thing of value which in the
15 aggregate exceeds, on the basis of each candidate in the
16 contributing joint candidates committee, \$5,000 per election.

17 (3) No candidate who has established both a candidate
18 committee and a joint candidates committee, the campaign
19 treasurers, deputy campaign treasurers, or candidate committee or
20 joint candidates committee shall (a) pay or make any contribution
21 of money or other thing of value to another candidate who has
22 established only a candidate committee, his campaign treasurer,
23 deputy campaign treasurer or candidate committee, other than a
24 candidate for nomination for election or for election for the office
25 of Governor, which in the aggregate exceeds \$5,000 per election, or
26 (b) pay or make any contribution of money or other thing of value
27 to candidates who have established only a joint candidates
28 committee, their campaign treasurer, deputy campaign treasurer or
29 joint candidates committee, which in the aggregate exceeds \$5,000
30 per election per candidate in the recipient joint candidates
31 committee, or (c) pay or make any contribution of money or other
32 thing of value to a candidate who has established both a candidate
33 committee and a joint candidates committee, the campaign
34 treasurers, deputy campaign treasurers, or candidate committee or
35 joint candidates committee, which in the aggregate exceeds \$5,000
36 per election. No candidate who has established only a candidate
37 committee, his campaign treasurer, deputy campaign treasurer, or
38 candidate committee, other than a candidate for nomination for
39 election or for election for the office of Governor, shall knowingly
40 accept from a candidate who has established both a candidate
41 committee and a joint candidates committee, the campaign
42 treasurers, deputy campaign treasurers, or candidate committee or
43 joint candidates committee, any contribution of money or other
44 thing of value which in the aggregate exceeds \$5,000 per election,
45 and no candidates who have established only a joint candidates
46 committee, their campaign treasurer, deputy campaign treasurer, or
47 joint candidates committee, shall knowingly accept from any such
48 source any contribution of money or other thing of value which in

1 the aggregate exceeds \$5,000 per election per candidate in the
2 recipient joint candidates committee, and no candidate who has
3 established both a candidate committee and a joint candidates
4 committee, the campaign treasurers, deputy campaign treasurers, or
5 candidate committee or joint candidates committee shall knowingly
6 accept from any such source any contribution of money or other
7 thing of value which in the aggregate exceeds \$5,000 per election.

8 (4) Expenditures by a candidate for nomination for election or
9 for election to the office of member of the Legislature or to an
10 office of a political subdivision of the State, or by the campaign
11 treasurer, deputy treasurer, candidate committee or joint candidates
12 committee of such a candidate, which are made in furtherance of the
13 nomination or election, respectively, of another candidate for the
14 same office in the same legislative district or the same political
15 subdivision shall not be construed to be subject to any limitation
16 under this subsection; for the purposes of this sentence, the offices
17 of member of the State Senate and member of the General
18 Assembly shall be deemed to be the same office.

19 d. Nothing contained in this section shall be construed to impose
20 any limitation on contributions by a candidate, or by a corporation,
21 100% of the stock in which is owned by a candidate or the
22 candidate's spouse, child, parent or sibling residing in the same
23 household, to that candidate's campaign.

24 e. For the purpose of determining the amount of a contribution
25 to be attributed as given to or by each candidate in a joint
26 candidates committee, the amount of the contribution to or by such
27 a committee shall be divided equally among all the candidates in the
28 committee.

29 (cf: P.L.1993, c.65, s.18)

30
31 12. Section 19 of P.L.1993, c.65 (C.19:44A-11.4) is amended to
32 read as follows:

33 19. a. (1) Except as otherwise provided in paragraph (2) of this
34 subsection, no individual, no corporation of any kind organized and
35 incorporated under the laws of this State or any other state or any
36 country other than the United States, no labor organization of any
37 kind which exists or is constituted for the purpose, in whole or in
38 part, of collective bargaining, or of dealing with employers
39 concerning the grievances, terms or conditions of employment, or
40 of other mutual aid or protection in connection with employment,
41 no political committee, continuing political committee, candidate
42 committee or joint candidates committee or any other group, shall
43 pay or make any contribution of money or other thing of value to
44 the campaign treasurer, deputy treasurer or other representative of
45 the State committee of a political party or the campaign treasurer,
46 deputy campaign treasurer or other representative of any legislative
47 leadership committee, which in the aggregate exceeds \$25,000 per
48 year, or in the case of a joint candidates committee when that is the

1 only committee established by the candidates, \$25,000 per year per
2 candidate in the joint candidates committee, or in the case of a
3 candidate committee and a joint candidates committee when both
4 are established by a candidate, \$25,000 per year from that
5 candidate. No campaign treasurer, deputy campaign treasurer or
6 other representative of the State committee of a political party or
7 campaign treasurer, deputy campaign treasurer or other
8 representative of any legislative leadership committee shall
9 knowingly accept from an individual, a corporation of any kind
10 organized and incorporated under the laws of this State or any other
11 state or any country other than the United States, a labor
12 organization of any kind which exists or is constituted for the
13 purpose, in whole or in part, of collective bargaining, or of dealing
14 with employers concerning the grievances, terms or conditions of
15 employment, or of other mutual aid or protection in connection with
16 employment, a political committee, a continuing political
17 committee, a candidate committee or a joint candidates committee
18 or any other group, any contribution of money or other thing of
19 value which in the aggregate exceeds \$25,000 per year, or in the
20 case of a joint candidates committee when that is the only
21 committee established by the candidates, \$25,000 per year per
22 candidate in the joint candidates committee, or in the case of a
23 candidate committee and a joint candidates committee when both
24 are established by a candidate, \$25,000 per year from that
25 candidate.

26 Adjustments to the limits established in this paragraph which
27 have been made by the Election Law Enforcement Commission,
28 pursuant to section 22 of P.L.1993, c.65 (C.19:44A-7.2), prior to
29 the effective date of P.L.2001, c.384 are rescinded. The limits
30 established in this paragraph shall remain as stated in this paragraph
31 until subsequently adjusted by the commission in the manner
32 prescribed by section 22 of P.L.1993, c.65 (C.19:44A-7.2).

33 (2) No national committee of a political party shall pay or make
34 any contribution of money or other thing of value to the campaign
35 treasurer, deputy treasurer or other representative of the State
36 committee of a political party which in the aggregate exceeds
37 \$50,000 per year, and no campaign treasurer, deputy campaign
38 treasurer or other representative of the State committee of a
39 political party shall knowingly accept from the national committee
40 of a political party any contribution of money or other thing of
41 value which in the aggregate exceeds \$50,000 per year.

42 b. No individual, no corporation of any kind organized and
43 incorporated under the laws of this State or any other state or any
44 country other than the United States, no labor organization of any
45 kind which exists or is constituted for the purpose, in whole or in
46 part, of collective bargaining, or of dealing with employers
47 concerning the grievances, terms or conditions of employment, or
48 of other mutual aid or protection in connection with employment,

1 no political committee, continuing political committee, candidate
2 committee or joint candidates committee or any other group, shall
3 pay or make any contribution of money or other thing of value to
4 any county committee of a political party, which in the aggregate
5 exceeds \$25,000 per year, or in the case of a joint candidates
6 committee when that is the only committee established by the
7 candidates, \$25,000 per year per candidate in the joint candidates
8 committee, or in the case of a candidate committee and a joint
9 candidates committee when both are established by a candidate,
10 \$25,000 per year from that candidate. No campaign treasurer,
11 deputy campaign treasurer or other representative of a county
12 committee of a political party shall knowingly accept from an
13 individual, a corporation of any kind organized and incorporated
14 under the laws of this State or any other state or any country other
15 than the United States, a labor organization of any kind which exists
16 or is constituted for the purpose, in whole or in part, of collective
17 bargaining, or of dealing with employers concerning the grievances,
18 terms or conditions of employment, or of other mutual aid or
19 protection in connection with employment, a political committee, a
20 continuing political committee, a candidate committee or a joint
21 candidates committee or any other group, any contribution of
22 money or other thing of value which in the aggregate exceeds
23 \$25,000 per year, or in the case of a joint candidates committee
24 when that is the only committee established by the candidates,
25 \$25,000 per year per candidate in the joint candidates committee, or
26 in the case of a candidate committee and a joint candidates
27 committee when both are established by a candidate, \$25,000 per
28 year from that candidate.

29 c. No individual, no corporation of any kind organized and
30 incorporated under the laws of this State or any other state or any
31 country other than the United States, no labor organization of any
32 kind which exists or is constituted for the purpose, in whole or in
33 part, of collective bargaining, or of dealing with employers
34 concerning the grievances, terms or conditions of employment, or
35 of other mutual aid or protection in connection with employment,
36 no political committee, continuing political committee, candidate
37 committee or joint candidates committee or any other group shall
38 pay or make any contribution of money or other thing of value to
39 any municipal committee of a political party, which in the aggregate
40 exceeds \$5,000 per year, or in the case of a joint candidates
41 committee when that is the only committee established by the
42 candidates, \$5,000 per year per candidate in the joint candidates
43 committee, or in the case of a candidate committee and a joint
44 candidates committee when both are established by a candidate,
45 \$5,000 per year from that candidate. No campaign treasurer, deputy
46 campaign treasurer or other representative of a municipal committee
47 of a political party shall knowingly accept from an individual, a
48 corporation of any kind organized and incorporated under the laws

1 of this State or any other state or any country other than the United
2 States, a labor organization of any kind which exists or is
3 constituted for the purpose, in whole or in part, of collective
4 bargaining, or of dealing with employers concerning the grievances,
5 terms or conditions of employment, or of other mutual aid or
6 protection in connection with employment, a political committee, a
7 continuing political committee, a candidate committee or a joint
8 candidates committee or any other group, any contribution of
9 money or other thing of value which in the aggregate exceeds
10 \$5,000 per year, or in the case of a joint candidates committee when
11 that is the only committee established by the candidates, \$5,000 per
12 year per candidate in the joint candidates committee, or in the case
13 of a candidate committee and a joint candidates committee when
14 both are established by a candidate, \$5,000 per year from that
15 candidate.

16 [No county committee of a political party in any county shall
17 pay or make any contribution of money or other thing of value to a
18 municipal committee of a political party in a municipality not
19 located in that county which in the aggregate exceeds the amount of
20 aggregate contributions which, under this subsection, a continuing
21 political committee is permitted to pay or make to a municipal
22 committee of a political party. No campaign treasurer, deputy
23 campaign treasurer or other representative of a municipal committee
24 of a political party in any municipality shall knowingly accept from
25 any county committee of a political party in any county other than
26 the county in which the municipality is located any contribution of
27 money or other thing of value which in the aggregate exceeds the
28 amount of contributions permitted to be so paid or made under that
29 subsection.]

30 d. For the purpose of determining the amount of a contribution
31 to be attributed as given by each candidate in a joint candidates
32 committee, the amount of the contribution by such a committee
33 shall be divided equally among all the candidates in the committee.
34 (cf: P.L.2001, c.384, s.2)

35
36 13. (New section) As soon as practicable upon the enactment of
37 P.L. , c. (C.)(now pending before the Legislature as this
38 bill), the agencies or authorities given responsibility by subsection
39 c. of section 8 of P.L. , c. (C.)(now pending before the
40 Legislature as this bill) for monitoring compliance with the
41 provisions of sections 2 through 8 of the act shall provide notice of
42 those provisions to all public entities, as defined in the act, that
43 would be affected thereby.

44
45 14. (New section) The provisions of this act shall be deemed to
46 be severable and if any phrase, clause, sentence or provision of this
47 act is declared to be unconstitutional or the applicability thereof to

1 any person or circumstance is held invalid, the remainder of this
2 act shall not thereby be deemed to be unconstitutional or invalid
3 and the other provisions or applications of the sections which can
4 be given effect without the invalid provision or application shall be
5 given effect.

6
7 15. P.L.2004, c.19 (C.19:44A-20.2 et al.) and P.L.2005, c.51
8 (C.19:44A-20.13 et seq.) are repealed.

9
10 16. This act shall take effect immediately but shall remain
11 inoperative until the 30th day following the date of enactment for
12 any public entity, as defined under the bill, except for the Executive
13 Branch of State government, the Legislative branch, the Judicial
14 branch, or the departments, agencies or instrumentalities thereof,
15 and independent State authorities and the agencies or
16 instrumentalities thereof.

17
18
19 STATEMENT

20
21 This bill supplements and amends current law to limit campaign
22 contributions to certain candidates, holders of public office and
23 political committees by certain entities doing business with the
24 State and its authorities and agencies and with county and
25 municipal governments and school districts and the agencies and
26 instrumentalities thereof, any public institution of higher education
27 and any interstate agency to which New Jersey is a party, and by
28 county and municipal political party committees.

29 Specifically, a business entity or professional business entity
30 that contracts with a public entity for goods, services, equipment or
31 the sale of property, with a value in excess of \$17,500, is prohibited
32 from making, from the submittal of a bid or the start of the
33 negotiations and for the contract period, contributions of money or
34 any other thing of value to a candidate for or the holder of any
35 public office having ultimate responsibility for the award of public
36 contracts, or to any political party committee, legislative leadership
37 committee, political committee or continuing political committee.

38 In the year prior to the bid submittal or commencement of
39 negotiations, the professional business entity may only contribute to
40 a candidate for or the holder of any public office, or to a political
41 party committee, legislative leadership committee, political
42 committee or continuing political committee \$400 each per year.
43 For a business entity, the limit is \$5,000 per year in the aggregate
44 to all candidates for or the holders of any public offices with
45 ultimate responsibility for the award of public contracts and to all
46 political party committees, legislative leadership committees,
47 political committees and continuing political committees. These
48 limits would be adjusted quadrennially by the Election Law

1 Enforcement Commission in the same manner as it makes
2 adjustments by law under the "New Jersey Campaign Contributions
3 and Expenditures Reporting Act."

4 Under the bill, a "business entity" means an individual, including
5 an individual's spouse, or any child living at home, and any person,
6 firm, corporation, professional corporation, partnership,
7 organization or association. The "office that is considered to have
8 ultimate responsibility for the award of the contract" means: 1) the
9 Legislature, if the contract requires approval or appropriation from
10 the Legislature; 2) the Governor, if a public officer who is
11 responsible for the award of the contract is appointed by the
12 Governor, whether or not the appointment is subject to the advice
13 and consent of the Senate; 3) both the Legislature and the
14 Governor; 4) the elected offices in a county, if the contract requires
15 approval by the holder of an elected office or appropriation by the
16 governing body thereof; 5) the elected offices in a municipality, if
17 the contract requires approval by the holder of an elected office or
18 appropriation by the governing body thereof; and 6) the elected
19 offices in a school district, if the contract requires approval by the
20 holder of an elected office or appropriation by the governing body
21 thereof. A "professional business entity" is a business entity which
22 provides services by individuals who are required to be
23 professionally licensed under the laws or regulations of this State.
24 A "public entity" means any of the principal departments in the
25 Executive Branch of State government, and any division, board,
26 bureau, office, commission or other instrumentality within or
27 created thereby; the Legislature and any office, board, bureau or
28 commission within or created thereby; the Judiciary and any office,
29 board, bureau or commission within or created thereby; any
30 independent State authority, commission, instrumentality or agency;
31 any public institution of higher education; and, to the extent
32 permitted by law, any interstate agency to which New Jersey is a
33 party; a county, municipality or school district, and any division,
34 board, bureau, office or instrumentality of a county, municipality or
35 school district or any authority, commission or other body created
36 thereby; and any other State or local public body or quasi-public
37 body the creation of which is authorized or directed by statute.

38 Under the bill for both professional business entities and
39 business entities, contributions made prior to enactment will not be
40 considered violations; sworn statements of compliance are required;
41 a violation may be cured by its return to the contributor no later
42 than 30 days after the general election next following the date on
43 which the contribution is made; notification of the consequences
44 under the bill will have to be given to contributors; penalties are
45 provided for violations; certain annual reports to the Election Law
46 Enforcement Commission will have to be made under certain
47 circumstances; and the agencies and authorities responsible for
48 monitoring compliance with the provisions of the bill must give

1 notice of its content as soon as it becomes law to all public entities
2 affected thereby.

3 This bill also establishes limits on the amount of money and
4 other thing of value that a county committee of a political party and
5 a municipal committee of a political party can give per election or
6 per year to candidates and certain political committees.
7 Specifically, the bill limits a county committee of a political party:

8 1) other than the county committee of the county in which the
9 candidate or candidates resides, from giving to a candidate
10 committee, a joint candidates committee or both a contribution,
11 which in the aggregate exceeds \$7,200 per election;

12 2) from giving to a political committee a contribution, which in
13 the aggregate exceeds \$7,200 per election;

14 3) from giving to a continuing political committee a
15 contribution, which in the aggregate exceeds \$7,200 per year;

16 4) from giving to a legislative leadership committee or the State
17 committee of a political party a contribution, which in the aggregate
18 exceeds \$25,000 per year;

19 5) from giving to another county committee a contribution,
20 which in the aggregate exceeds \$7,200 per year; and

21 6) from giving to a municipal committee of a political party,
22 other than the municipal committee of a municipality located in the
23 same county as the county committee, a contribution, which in the
24 aggregate exceeds \$7,200 per year.

25 In regard to a municipal committee of a political party, the bill
26 limits a committee:

27 1) other than a municipal committee of the county in which the
28 candidate or candidates reside, from giving to a candidate
29 committee, a joint candidates committee or both a contribution,
30 which in the aggregate exceeds \$7,200 per election;

31 2) from giving to a political committee a contribution, which in
32 the aggregate exceeds \$7,200 per election;

33 3) from giving to a continuing political committee a
34 contribution, which in the aggregate exceeds \$7,200 per year;

35 4) from giving to a legislative leadership committee or the State
36 committee of a political party a contribution, which in the aggregate
37 exceeds \$25,000 per year;

38 5) from giving to another municipal committee a contribution,
39 which in the aggregate exceeds \$7,200 per year; and

40 6) from giving to a county committee of a political party, other
41 than the county committee of the county in which the municipality
42 is located, a contribution, which in the aggregate exceeds \$7,200
43 per year.

44 Finally, the bill provides that the limits it establishes on giving
45 by a county committee and a municipal committee would be subject
46 to the same quadrennial adjustment by the Election Law
47 Enforcement Commission as provided in current law for other
48 contribution and expenditure amounts.

1 The bill contains a severability clause.

2 The bill takes effect immediately, but is to remain inoperative
3 until the 30th day following the date of enactment for any public
4 entity, as defined under the bill, except for the Executive Branch of
5 State government, the Legislative branch, the Judicial branch, or the
6 departments, agencies or instrumentalities thereof, and independent
7 State authorities and the agencies or instrumentalities thereof.